

# Green Power Marketing



Green Power Conference  
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# Topical Outline

Introduction to NYSERDA

Green Marketing Program Structure

Program Participants

Sales Metrics

Current Challenges

# New York State Energy Research and Development Authority (NYSERDA)

- Public Benefit Corporation Established in 1975 by State Legislature
- Mission: To identify solutions to State's energy challenges in ways that benefit the State's economy and environment
  - Current administrator of NYS Public Service Commission System Benefits Charge Program ( New York Energy Smart<sup>SM</sup> )
  - Manage Statutory funding for traditional product research and development

# Green Power Marketing Program Goals

- **Support market entry of “qualified” retailers**
  - Competitive process using advisory review panel
- **Build green retail business enterprises**
  - Encourage partnerships (commodity and REC marketers)
- **Investigate interest in new products (e.g., hedge program)**
- **Monitor/react to progress over long-term/regular periodicity**



# Green Power Marketing Program Structure

- Expect retailing projects to span 5 years (funding budgeted)
- Focus on building retail businesses that acquire/promote and selling green power at retail
- Funding for each marketing cycle subject to evaluation against established sales performance metrics
- Non-performance based funding (start up marketing etc..) provided only in the first year
- Green product must meet minimum qualifications for location and type of supply

# NYSERDA Green Marketing Program

- Dual track program design offered

Track A: exploration/research/program development phase

- payments for discrete program development tasks

Track B: sales campaign deployment phase

- performance-based NYSERDA incentive structure

(payment on per unit of sales (KWH or KW); 75 % of award in 1st year, 100% of award all other years)

- NYSERDA incentives on order of \$ 4.2 million awarded to date (out of \$12.775 budgeted) (PON 599 and 731...?)

- \$185K for development; \$4.0 million for deployment



# Green Power Marketing Program Participants

- **Community Energy with NYSEG (upstate area)( 7090)**
- **Sterling Planet (upstate and NYC) (7594)**
- **Green Mountain Energy Company (upstate area) (7595)**
- **Community Energy with Con Ed Solutions (NYC area) (7593)**
- **Energy Cooperative of New York (upstate area) (7089))**

**(1 st Rochdale Energy Cooperative funded under Track A only to date)**



# Green Power Marketing Program Sales Metrics

<b>Total Sales under contract :</b>	<b>End- 2<sup>nd</sup> Qtr. 2004</b>
<b>By resource type:</b>	
<b>Wind</b>	<b>139,514</b>
<b>hydro</b>	<b>51,454</b>
<b>biomass</b>	<b>5,027</b>
<b>Total Sales</b>	<b>195,995</b>

Sales figures in MWH

Of total sales, 38,100 MWH are of a contract duration of 3 + years



# Current Challenges/Opportunities

## **RPS design – critical to growth in voluntary green market**

- Line between RPS and voluntary sales should not be blurred
- Supply lagging sales growth -marketers not yet able to support project financing

- RPS procurement could be designed to create competitive market for REC's (act to extend SBC program funding)
- Appropriately account for REC transactions
  - “GIS- like” system needs development
  - RPS and voluntary REC's separately tracked

